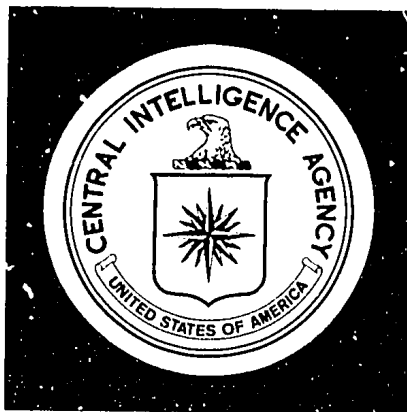


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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

Special Report

State Dept. review
completed

Brezhnev and Brandt: A Third Encounter

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Brezhnev and Brandt:

A Third Encounter

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**SUMMARY**

Soviet party boss Leonid Brezhnev begins a five-day official visit to West Germany on 18 May, the first such visit by a top-level Soviet political leader. He has met his host, Chancellor Willy Brandt, twice before, both times on Soviet territory. The previous sessions have been milestones for detente in Europe.

This third meeting may be equally important. Both men have staked a large measure of their political reputations on the value to their respective countries of European detente. When they meet, they will want to review the progress that has been made on multilateral undertakings like the Conference on Security and Cooperation in Europe, and on bilateral issues between West Germany and Warsaw Pact states. Some forward movement may well be possible in some or all of these areas, but there will be problems, notably how to handle the West German - West Berlin relationship and how to make the East Germans more cooperative on inter-German relations.

While European issues will dominate the talks, both men will keep a weather eye on their countries' relations with the US. Brandt will move carefully with the Soviets so as not to disrupt Atlantic Alliance relations at a time when consideration is being given to new forms for the alliance. Brezhnev will be interested in greater access to West German economic and technological assistance both for its own sake and for any leverage it will give him when he comes to the US.



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Background

Next week the political leaders of the USSR and West Germany will meet for the third time in less than three years, a remarkable development in post-war Europe. Until recently, West Germany was at or near the bottom of the list of West European countries with which Moscow cared to do business. Soviet animosity was fueled by war-time memories and the strong Soviet concern about a reunified Germany. The West Germans responded with a suspicious and icy attitude of their own.

More recently, the Soviet advocacy of detente in Europe has coincided with Brandt's tenure as the first Social Democratic chancellor in post-war Germany, and improved relations with West Germany are an important part of Soviet detente policy. West Germany now has risen to first or second place (after France) on the Soviet list of those West European nations with which relations are developing favorably. 25X1

There are important reasons, from the Soviet point of view, why this should be so. The deterioration of Soviet-Chinese relations, political and economic changes in Western Europe and between Western Europe and the US, and the needs of the Soviet economy all contributed to the Soviet interest in achieving better relations with Western Europe. Within Europe, West Germany's economic growth and potential political role gave it importance, and Brandt's Ostpolitik made a change in Soviet attitude possible.

After years of mutual distrust and harsh propaganda diatribes from both sides, there remains in each country a basic skepticism about the extent to which relations can and should be improved. Nevertheless, notable progress was made at the two previous meetings.

Brezhnev and Brandt

The first Brandt-Brezhnev meeting occurred in August 1970 at Moscow when the Soviet - West German non-aggression treaty was signed; the second was a less formal affair in September 1971 at the resort town of Oreanda in the Crimea.

Basic Details of the Trip

Brezhnev is expected to visit Pankow as well as Warsaw before going to Bonn on 18 May. The first two days will be devoted to official talks to be held at the secluded Hotel am Petersberg. The Soviets were bothered by this choice, Chamberlain's residence en route to Munich in 1938 and the headquarters of the Allied Control Commission after World War II. The remainder of the Brezhnev visit will be given over to travel to other areas of West Germany and may include stops at an automobile factory, a nuclear installation, and/or a computerized mail-order house.

The Moscow treaty stands as the key element in Brandt's Ostpolitik. At Oreanda, Brandt tried to persuade Brezhnev that the East should reach out to meet Ostpolitik. The Soviets subsequently applied pressure on Pankow and made the inter-German treaty possible. Moscow also worked assiduously to make Ostpolitik more popular in West Germany by showing that it could lead to beneficial economic deals and to the emigration of more ethnic Germans from the USSR to West Germany.

Each leader comes to this third meeting with his political position strengthened. Just two weeks ago, Brezhnev won a new vote of confidence from the Central Committee, which gave him credit for his "great personal contribution" toward carrying out the peace program laid down at the 24th Party Congress. On May Day he was awarded the Lenin Peace Prize for, among other things, the contribution his "landmark talks" with Brandt made to the security of Europe.

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The plenum retired Politburo members Voronov and Shelest, both of whom had tangled with Brezhnev. The departure of Shelest has particular meaning for the Soviet - West German relationship. One of the issues that brought the former Ukrainian party chief into conflict with Brezhnev was Shelest's opposition to improving relations with West Germany and other Western countries. The plenum added Defense Minister Grechko, Foreign Minister Gromyko, and KGB chief Andropov to the Politburo. They have served as expert advisers in the development of Soviet policies, and in the short run at least they can be expected to continue to support Brezhnev's program of detente.

The West German political struggle in 1971 and 1972 to ratify the non-aggression treaty with the USSR temporarily cost Brandt his parliamentary majority and nearly cost him the chancellorship. The major complaint was that Brandt was conceding too much and getting too little. Opposition came not only from the Christian Democrats but also from the coalition Free Democratic Party and, to a certain extent, from within the foreign office. Ostpolitik, however, has broad public approval in West Germany. By keeping the management of Ostpolitik tightly controlled within the Chancellor's office, Brandt and State Secretary Bahr have been able to forge ahead.

With his Social Democratic Party's victory in the election last November and his own victory at the party congress in April, Brandt is in a strong political position.

Updating Ostpolitik

As far as public pronouncements are concerned, the visit will be dominated by mutual expressions of esteem for Ostpolitik, not only for the improvement it has brought to West German relations with the East Europeans but also for its significance for European detente. Behind the generalities and bonhomie, however, Bonn has important dissatisfactions which it hopes Brezhnev can be induced to help resolve.

One concerns West Germany's relationship with West Berlin. The 1971 Four-Power Agree-

ment on Berlin states that "ties...will be maintained and developed," but it also states that West Berlin "continues not to be a constituent part of the Federal Republic and not to be governed by it." This language has led to problems over what Bonn feels are its legitimate efforts to maintain and develop ties with West Berlin, and to represent the city internationally in matters that do not affect security or status, a right given Bonn in the 1971 agreement. Bonn suspects Moscow has not abandoned its usual policy of treating West Berlin as a separate entity, and the West Germans are right. The Soviets have sought to make this point in a number of ways recently by emphasizing the distinction between West Berlin and West Germany. Brandt has responded with a series of letters to Brezhnev, but these have been unavailing, at least so far.

Another Bonn concern is that the East German leaders, having signed the inter-German basic relations treaty last fall, are not now interested in implementing the pact. Following the treaty's signature, Pankow stepped up its domestic propaganda campaign in favor of *Abgrenzung* (demarkation), emphasized the incompatibility of the two Germanies, and moved to restrict contacts between the two populations. The inter-German negotiations earlier this year reflected the tough East German position.

The East Germans have been somewhat more accommodating recently, but Brandt will still urge upon Brezhnev the necessity for a better inter-German climate. Indeed, the Soviets are well aware that the inter-German climate is an important component of the total European detente effort, and they may have intervened in Pankow to bring about the recent thaw. The Soviets would be most reluctant, however, to make any real change in their stance on the Berlin problems, and they continue to fear meaningful movement toward closer ties between the two German states.

Recent movement in relations between West Germany and Czechoslovakia will help improve the atmosphere for the Brezhnev visit, and the Soviets had a role in making this movement possible. Czechoslovak and West German negotiators,

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Chronology

Oct 64	Brezhnev becomes general secretary of the Soviet party
Oct 69	Brandt becomes first Social Democratic chancellor
Mar 70	Brandt to Erfurt, East Germany, to meet GDR Premier Stoph—a first
Aug 70	Soviet - West German non-aggression treaty signed
Nov 70	USSR agrees to provide FRG with natural gas in return for large-diameter pipe
Dec 70	West German - Polish non-aggression treaty signed
Sep 71	Four-Power Berlin Agreement signed
Sep 71	Brandt and Brezhnev confer at Oreanda in the Crimea
Nov 71	USSR and FRG agree to direct Frankfurt-Moscow air service
Apr 72	Soviet - West German long-term trade agreement initialed in Moscow
May 72	Soviet - West German and West German - Polish non-aggression treaties ratified
Jun 72	Four-Power Berlin Agreement enters into effect
Jun 72	Formal inter-German negotiations commence
Jul 72	Soviet - West German trade agreement and a second natural gas/large-diameter pipe deal signed in Bonn
Nov 72	Inter-German treaty signed, accompanied by a Four-Power declaration
Nov 72	Beginning of massive increase in emigration of ethnic Germans from the USSR to the FRG
Nov 72	West German firms opt to provide financing and equipment for the USSR's huge steel mill at Kursk
Nov 72	SPD-FDP coalition wins Bundestag elections
2 Mar 73	West Germany reports Brezhnev visit in the offing
19 Mar 73	Soviets begin discussions on uranium enrichment services with a West German power company
13 Apr 73	Brandt re-elected chairman of Social Democrats
24 Apr 73	Brezhnev visit on 18-22 May jointly announced
27 Apr 73	Brezhnev policies endorsed by the Soviet Communist Party Central Committee
2 May 73	Czechoslovak Foreign Minister Chnoupek begins talks in Moscow
4 May 73	Soviet Ambassador Falin and FRG State Secretary Frank confer on Brezhnev visit
7 May 73	Czechoslovak - West German treaty negotiations begin
10 May 73	Bundestag begins second reading of inter-German treaty
16 May 73	Inter-German negotiating session to be held
18 May 73	Brezhnev to arrive in Bonn

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Brezhnev and Brandt in the Crimea, 1971

after a hiatus of almost nine months, agreed last month on a compromise formula for treating the Munich Agreement of 1938. Czechoslovak insistence that the agreement was null and void ab initio and the West German refusal to acknowledge this had been the major stumbling block to a bilateral non-aggression treaty. Now that this particular hurdle has been cleared, a treaty will probably be ready for signature in June. Formal negotiations on its terms began on 7 May, just after Czechoslovak Foreign Minister Chnoupek completed three days of talks with Soviet officials in Moscow. It will open the door for Bonn to establish diplomatic relations not only with Prague, but also with Budapest and Sofia. All of this could be accomplished by late this summer and would complete the formal edifice of Ostpolitik.

Other Issues

Prospects for the Conference on Security and Cooperation in Europe and the talks on force reduction in Europe will surely be discussed. The Soviets have consistently given precedence to the security conference, and the Brezhnev-Brandt talks will undoubtedly reflect this priority. The Soviets and West Germans have often found themselves on opposite sides in the wrangling over the agenda. In particular, Moscow wants a clear,

unencumbered declaration on the principle of inviolability of frontiers, while Bonn wants this principle linked to renunciation of force so that peaceful changes, like the reunification of Germany, would not be precluded. The West Germans, in company with their NATO allies, have sought stronger language on "human contacts" than the Soviets are willing to concede.

Both of these agenda items have moved significantly closer to resolution since the current round of preparatory talks began in Helsinki on 25 April, and may no longer be contentious when Brezhnev and Brandt meet. The Soviet leader will be seeking a strong endorsement for the conference from Bonn, and he may hope to win Brandt's agreement to begin the actual conference in late June at Helsinki and to make its concluding stage the occasion for a "summit" meeting.

Brezhnev and Brandt will treat force reductions cautiously. Both sides will endorse the concept, but each will make sure that whatever formulation is used does not endanger its security interests. For the West Germans, this means that the area of reductions should not be limited to the two Germanies. The Soviets are likely to stress reductions and resist Western ideas about constraints.

The security conference and force reductions constitute only a portion of the dialogue. Brandt, as a leading "Europeanist" among the West European heads of government, will probably be asked about the implications of the growing political cohesion and economic might represented by the EC. Brezhnev could well decide to raise the subject of relations with China. Since the meeting at Oreanda in 1971, Bonn has established diplomatic relations and expanded commercial transactions with Peking. In public, Moscow has largely ignored these moves, but Soviet sensitivity has come through in its criticism of West European "reactionaries" who are seeking to thwart detente by developing closer relations with China.

As they talk, both men will have their respective visits to Washington very much in mind, but it is doubtful that relations with the US will

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play a major part in their conversations. Brandt has just had a series of conversations with President Nixon, and Brezhnev has just talked with Dr. Kissinger. Moreover, basic differences between Brandt and Brezhnev over what the Atlantic Alliance is and what it may become make it a poor subject on which to dwell.

A bilateral issue likely to come up for discussion is the emigration of ethnic Germans from the USSR to West Germany. The Soviets have turned the flow on and off to suit their purposes. For example, during the 1963-66 period when the Christian Democrats governed in Bonn, Moscow gave only 1,991 Soviet citizens who were ethnic Germans permission to return to West Germany. In 1972 alone, the figure reached 3,300, and nearly half left in November, the month of the Bundestag elections.

Figures on such emigration for the first quarter of this year are running at more than two and one-half times the 1972 pace. Nonetheless, West German officials are not sanguine about exceeding a 3,300 total for the year and are especially distressed that more than 38 percent of those on a list given the Soviets in November 1971 still have not received exit permits. A complaint has been registered, and the Chancellor probably will underscore it.

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Economic Matters

Brezhnev has made it clear that he hopes for significant progress on major items of economic cooperation. He may in fact be coming at an opportune time since East-West economic relations are expanding, and West Germany has regained its place as the USSR's leading trading partner in Western Europe. The meeting itself is not likely to produce new contacts, but it will almost certainly push along some of the more significant large-scale undertakings now under consideration. These include the billion-dollar steel mill to be built at Kursk south of Moscow. The West Germans are to provide much of the financing and equipment in a barter arrangement for Soviet deliveries of iron pellets. Similarly, the West Germans have supplied the USSR with

large-diameter pipe in return for natural gas for West Germany.

Brezhnev may try to sell Brandt on the provision of Soviet uranium enrichment services to West Germany. The subject came up when Italian Prime Minister Andreotti traveled to Moscow in October and when Premier Kosygin visited Sweden last month. The USSR, which sees a considerable potential gain in foreign exchange from such services, maintains it can enrich uranium for use in peaceful applications at a lower unit price than the US appears prepared to offer. One West German power company already has decided as a test case to negotiate further with the Soviets this month for a single loading of a nuclear reactor under construction. Brandt will wish to review other EC energy options and US supply policy before he enters talks on a longer term relationship with the USSR in this important field.

A ten-year bilateral economic cooperation agreement patterned after the Franco-Soviet model may be concluded, assuming the resolution of the impasse over the issue of a clause extending the agreement to West Berlin. West German and Soviet negotiators began talks on a draft text on 25 April. Bonn expects the agreement will be limited to general statements concerning the desire of both parties to increase economic cooperation, but it may list particular sectors in which cooperation seems most feasible. Bonn rejected an initial Soviet version of the proposed accord



Brezhnev and Brandt in the Crimea, 1971

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that called for a five-year "concrete program" of specific projects. Brezhnev probably will seek a Bonn commitment for generous credit terms on Soviet purchases of equipment, but may not get it.

West German officials have told the US that bilateral accords on scientific and technical cooperation, cultural exchanges, civil aviation, and environmental projects may also be signed during the Brezhnev visit. The first two agreements have been completed except for the Berlin clauses. The proposed civil aviation accord has required more intensive negotiations because Bonn wants permission for Lufthansa to land at Tegel Airport in West Berlin on Frankfurt-Moscow-Tokyo flights. Cooperation on environmental problems should provide few problems.

Outlook

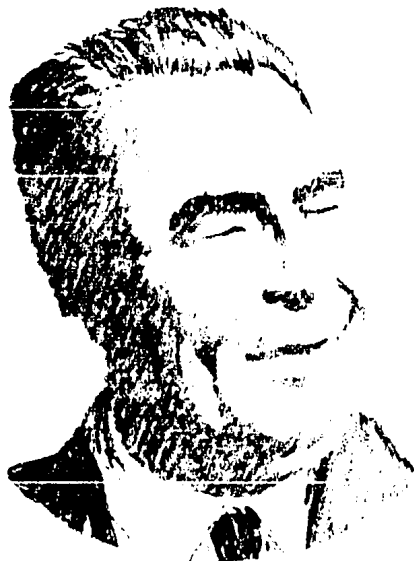
Prospects are good that some or all of these five agreements will be signed by Brezhnev in Bonn. A failure to achieve signature would indi-

cate a continuing—and perhaps deepening—problem over the status of the West German - West Berlin relationship and reluctance on the Soviet side to be flexible when it counts. Compromise language on the Berlin clauses may be easier to find at the summit, however, where larger interests are likely to prevail.

This third meeting of the Soviet and West German leaders should go well. The stakes are high for both Brezhnev and Brandt, perhaps higher than they were at Moscow in 1970 and at Oreanda in 1971. Brandt needs another success to demonstrate the continued value of Ostpolitik. Brezhnev needs to show that detente has practical value for the USSR. West German industry can provide some of this directly; furthermore, Brezhnev will surely recognize that he will have an advantage when seeking US economic cooperation in June if he has already made significant progress with the most advanced industrial state of Western Europe.

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